



State of California  
**Employment Training Panel**

Training Proposal for:  
**W Machine Works, Inc.**

**Agreement Number: ET09-0267**

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **North Hollywood**

Analyst: J. Romero

**PROJECT PROFILE**

Contract  
Type: Priority/SB<100

Industry  
Sector(s): Aerospace Industry

Counties  
Served: Los Angeles

Repeat  
Contractor: ☐ Yes ☒ No

Union(s): ☐ Yes ☒ No

Priority  
Industry: ☒ Yes ☐ No

No. Employees in CA: 46

No. Employees Worldwide: 46

Turnover Rate %	Manager/ Supervisor %
10%	13%

**FUNDING DETAIL**

Program Costs	Substantial Contribution	Total ETP Funding
\$149,500	\$0	\$149,500

In-Kind Contribution
\$85,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Average No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee <100	Business Skills, Computer Skills, Continuous Improvement, Manufacturing Skills	46	24-200	0	\$3,250	\$14.02
				Weighted Avg: 125			

**Minimum Wage by County:** \$14.02 in Los Angeles County

**Health Benefits:** ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:** ☒ Yes ☐ No

\$1.36 per hour may be used to meet the Post-Retention Wage.

**Other Benefits:** Disability and life insurance, vacation pay, sick leave, holiday pay.

Wage Range by Occupation	
Occupation Title	Wage Range
Managers	
Support Staff	
Technical Staff	
Production Workers	

**INTRODUCTION**

In this proposal, W Machine Works, Inc. (Machine Works) seeks funding for retraining as outlined below:

Machine Works manufactures custom metal parts, sub-assemblies and assemblies for the aerospace industry. The company's services include design, fabrication, inspection, and assembly. Its customers include international and domestic aerospace manufacturers such as Boeing, ATK (Armament Systems), Northrop Grumman, Whittaker Controls, and ITT Aerospace. The proposed training will take place in Los Angeles County.

The company has weathered the economic downturn in manufacturing over the last decade by focusing on prototype and short-run production in metal machining for the aerospace industry. Its strategy is to target customers' high end core technologies that require precision manufacturing processes. The assembly and production areas are made up of multiple work cells, each having a distinct capability to manufacture items that can be shipped directly to the customer or used in sub-assemblies. Other manufactures produce a single product or a process, Machine Works can deliver a complete manufacturing solution under one roof and this has generated a 40% increase in business in the last four years. In order to keep up with increased demand and out-of-state competition, the company must upgrade the technology and

capabilities of its fabrication, assembly lines, industrial controls, operations, and employee skills to meet new business and customer demands.

## **PROJECT DETAILS**

The company is requesting funding to train 46 employees in the following:

**Business Skills** will be provided to all trainees to help align the organization into achieving company goals by providing product and customer service visibility and accountability.

**Computer Skills** will be provided to all trainees. This will enable the company to meet customer demand for rapid response, through cutting edge equipment and software upgrades. This will expedite the bidding, costing, inventory, materials management, and job tracking capabilities with an expected reduction in lead time.

**Continuous Improvement** will be provided to all trainees. This will support the company's goal to maintain ISO Certification, achieve AS9100 Certification, and receive Six Sigma training projected to improve operating costs, reliability, quality, and customer satisfaction.

**Manufacturing Skills** will be provided to Technical and Support Staff. This will upgrade their knowledge base and enable them to participate in cross-functional work teams which should increase market share, cost savings, and new product development while reducing cycle time.

The training will enable Machine Works to remain competitive and maintain its leadership position as it moves to a high performance workplace.

### **Commitment to Training**

Past and current training initiatives have been limited to pilot programs, basic skills orientation for new hires, phase 1 implementation of various software and equipment upgrades, crisis management initiatives in select areas or departments, and training to implement and achieve Certification in ISO 9001:2000. Although Machine Works does not have a formal training budget, the company spends approximately \$30,000 per year for this training.

Machine Works represents that ETP funds will not displace the existing financial commitment to training. Indeed, Machine Works anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

Machine Works represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

## **RECOMMENDATION**

For the reasons set forth above, staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

The company retained Sallyanne Monti in San Francisco to assist with development of this proposal for a flat fee of \$6,000.

### **ADMINISTRATIVE SERVICES**

Sallyanne Monti will also perform administrative services in connection with this proposal for a fee, not to exceed 13% of payment earned.

### **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum**

**Class Lab Hours**

**24-200**

Trainees will receive any of the following:

**BUSINESS SKILLS**

- Performance Management
- Sales & Marketing in a Global Economy
- Supply Chain Customer Service

**COMPUTER SKILLS**

- Auto CAD for Aerospace
- Intermediate/Advanced Microsoft Office
- Enterprise Resource Planning (ERP)

**CONTINUOUS IMPROVEMENT**

- AS9100 Technical Skills
- Process Improvement
- Frontline Decision Making & Problem Solving
- High Performance Work Teams
- ISO Technical Skills
- Supply Chain Communication Technology
- Six Sigma

**MANUFACTURING SKILLS**

- Assembly Operations
- Coordinate Measuring Machine (CMM) Machining & Programming
- Computer Numerical Control (CNC) Machining & Programming
- Lean Manufacturing Practices